

(12) INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(19) World Intellectual Property Organization
International Bureau(43) International Publication Date
1 November 2001 (01.11.2001)

PCT

(10) International Publication Number
WO 01/82178 A2

- (51) International Patent Classification?: **G06F 17/60**
- (21) International Application Number: **PCT/US01/12800**
- (22) International Filing Date: **20 April 2001 (20.04.2001)**
- (25) Filing Language: **English**
- (26) Publication Language: **English**
- (30) Priority Data:
09/553,961 **21 April 2000 (21.04.2000)** **US**
- (71) Applicant: **BAY9, INC.** [US/US]; Suite 1604, 450 Seventh Avenue, New York, NY 10123 (US).
- (72) Inventor: **LAIFER, Lance**; 565 Warwick Avenue, Teaneck, NJ 07666 (US).
- (74) Agents: **PENNINGTON, Edward, A.** et al.; Swidler Berlin Shereff Friedman, LLP, Suite 300, 3000 K Street, N.W., Washington, DC 20007 (US).
- (81) Designated States (*national*): AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CO, CU, CZ, DE, DK, EE, ES, FI, GB, GE, GH, GM, HU, ID, IL, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, UA, UG, UZ, VN, YU, ZW.
- (84) Designated States (*regional*): ARIPO patent (GH, GM, KE, LS, MW, MZ, SD, SL, SZ, TZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE, TR), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).

Published:— *without international search report and to be republished upon receipt of that report**For two-letter codes and other abbreviations, refer to the "Guidance Notes on Codes and Abbreviations" appearing at the beginning of each regular issue of the PCT Gazette.***WO 01/82178 A2**(54) Title: **BIDDING FOR PLACEMENT IN SEARCH ENGINE RESULTS AND ADVERTISING SPACE**

(57) Abstract: A search engine provides greater opportunities for advertisers to increase exposure to relevant consumer bases. One aspect of the invention is to provide a barter-per-placement system in which the advertiser offers a quantity of goods and/or services in exchange for placing advertising in pop-up windows and banner advertisements. Bids for placement in either search results, banner advertisements or pop-up windows can be based on a weighted average value of click throughs. Advertisers bid on a per click basis and then are placed according to the value of bid per click times number of click throughs.

BIDDING FOR PLACEMENT IN SEARCH ENGINE RESULTS AND ADVERTISING SPACE

This is a continuation-in-part of United States Patent Application Serial
No. 09/482,622 filed January 14, 2000, entitled "Barter-Based Placement For
5 Search Engine," now co-pending.

Background Of The Invention

The present invention relates generally to search engines used in networks
such as the Internet, and more specifically, to search engines that allow advertisers
an opportunity to increase the likelihood that someone conducting a search with a
10 search engine will visit the advertiser's Web site. The invention provides a
mechanism by which advertisers can bid on placement of their URLs in banner
advertising and pop-up windows that appear on any one of a plurality of search
engine web pages. The invention further provides weighted average bidding on all
aspects of search engine placement, such as in banner advertisements, pop-up
15 windows, and search results.

Description Of The Related Art

Electronic commerce, often referred to as "e-commerce," has grown at a
logarithmic rate. More and more businesses are using the World Wide Web
("WWW" or simply the "Web") as a means for realizing commercial potential, by
20 connecting consumers with the businesses that supply the goods and services
sought by the consumers. Obvious advantages are achieved for both sides of the
commercial transactions: consumers can shop at home for virtually any product or
service, and businesses can maximize their potential to reach the enormous
customer base that now has access to the Internet, through the proliferation of
25 personal computers.

It becomes problematic that the Internet makes so much information available at a specific Web site, or other pertinent information, becomes difficult to locate. In response, several attempts have been made to assist the user of the Internet, and other networks, in locating pertinent information. U.S. Patent No. 5,987,480 to Donohue et al. describes a method and system for delivering documents customized for a particular user over the Internet. Searching is facilitated by using imbedded dynamic content.

U.S. Patent No. 5,870,559 to Leshem et al. describes a software system and associated method for facilitating the analysis and management of Web sites and Web site content. A mapping component scans a Web site over a network connection and builds a site map which graphically depicts the URLs and links of the site. U.S. Patent No. 5,974,572 to Weinberg et al. provides similar features.

U.S. Patent No. 5,966,710 to Burrows describes a method of searching an index, in which a memory stores an index having a plurality of index entries. Each of the index entries corresponds to a respective one of a plurality of terms associated with the stored information and has one or more location identifiers. A processor searches the stored index to identify the location identifiers of at least two index entries which correspond to terms of interest. The processor also determines the locations within the information which are represented by the identified location identifiers, and at which the terms of interest have a relationship as indicated by a particular operator.

U.S. Patent No. 5,751,956 to Kirsch describes a method and apparatus for re-direction of server external hyper-link references, in which a Web server computer system provides for server based controlled management over a client reference to a resource locator independently selected by a client computer system and referencing a server external Web server.

A "search engine" is a tool that lets a consumer explore data bases containing the text from tens of millions of Web pages. When the search engine software finds pages that match the consumer's search request (often called

"hits"), it presents them to the user with brief descriptions and click-able links to take the user to the web site. Some search engines concentrate primarily on providing a powerful search capability, while others also offer a multi-level topic directory that the user can browse for information on a given subject. Topic
5 directories are usually prepared by search engine employees who spend their days visiting, selecting, and classifying Web sites based on content.

Most of the major search engines, including Alta vista, Excite, HotBot, InfoSeek, Lycos, Yahoo, and RocketLinks, carry advertising in order to finance their operations and avoid having to charge subscription fees for the user of their
10 services. These typically come in the form of banner ads, which appear on the pages of the search engine, which can be clicked by the user to immediately connect the user to the banner ad Web site. Some search engines carry other features such as email, news, chat locations, stock quotes, weather reports, etc. as means for attracting visitors to the site. In general, search engines often offer
15 more than just results of searches. Most want to be thought of as the visitor's portal to the Internet, meaning the first place the visitor goes whenever he or she goes online.

Search engines are located by using their official address or URL (Uniform Resource Locator), which for any Web site usually begins with "http://www." and
20 typically ends with ".com." However, with the latest versions of Web browsers like Netscape Navigator and Microsoft Internet Explorer, the visitor need include only the primary name, such as "rocketlinks."

Search engines are designed to make it as easy as possible for the visitor to find what he or she wants on the Internet. Most engines deploy robot programs
25 called "spiders" or "crawlers" which are designed to track down Web pages, follow the links they contain, and add any new information they encounter to a master database or index. The spiders' work is supplemented with information supplied directly to the search engines by professional and amateur Web developers who take the time to notify the engines of newly created sites.

Search results are typically presented in order based on "relevancy." Different search engines use different methods for calculating relevancy, usually reported as a percentage indicating how well a particular Web page matches the visitor's search request. The formulas for calculating relevancy are constantly
5 changing as search engines attempt to stay one step ahead of Web developers, some of whom engage in "spamdexing," which is the process of doctoring a Web page to fool search engines into putting it high on the list of search results. This process may be a benefit to the Web page owner, but the material is likely to be not in the visitor's zone of interest, thus adding to the frustration of the visitor who
10 needs to locate pages pertinent to his or her search. One common trick is to load a Web page with words, like "free" or "money," that may have nothing to do with the Web site. Some search engines respond to these tactics by writing into their software a relevancy formula that gives lower ranking to pages that contain numerous repeated words.

15 When a visitor uses a search engine for Web searching, he or she typically chooses a relevant search term or "keyword." The keyword is searched by the search engine from the full text of Web pages collected automatically by spider or crawler programs. Conventional databases like the electronic card catalog in a library allow the user to perform field searches. An example would be to input
20 "Steinbeck" in the author field to produce a list of books by title. If information is sought about the author, "Steinbeck" can be entered into a subject field. Many Web search engine databases, however, make no distinction among the various types of information available. For Web search engines having field searching capabilities, the fields typically have to do with the Web page itself, such as its
25 title, Web address or URL, the date the page was created, etc., rather than the information on the page. Thus, choosing the right keyword is critical to effective use of a search engine.

Some search engines have developed "pay-per-placement" marketing strategies, where in essence, a business pays a relatively small fee for each "hit"

registered by a visitor. The business pays more to have their URL appear higher in the listing of search results. For example, if the business sells flowers, it can pay for the right to have its URL appear first, second, third, etc., in the listing of search results, whether or not the word flower appears in the domain name of the business. Obviously, the business pays more per hit, the higher its URL appears in the results. The higher placement generates a higher number of hits, since the search results may include several pages of hits, and consumer/visitors tend to visit the first, or the first several, URLs. Increased traffic, measured by the number of hits, is tantamount to increasing the number of customers who walk into a store, and thereby results in more sales. Thus, the fees received for placement provide an additional source of revenue for the search engine company, apart from subscription fees and/or banner adds.

In the past, banner advertisements were offered to advertisers at a fixed fee rate, on a first come first serve basis. Thus, an advertiser would pay a fixed amount to be placed in a banner ad for a given search term or set of terms. This process is inefficient because there may exist advertisers willing to pay more than the going rate for the right to appear in the banner ad ahead of, or instead of, other advertisers.

Similarly, pop-up windows are known to be used on internet sites for the purpose of catching the eye of the web user. Pop-up windows may have banner-type content, or simply provide an opportunity to sign up for a contest. In any event, they provide a mechanism for connecting consumers to providers of goods, services or other commercial or non-commercial content.

In general, the concept of pay-for-placement has a potential shortcoming. In particular, when bidding for placement, an advertiser may provide the highest per click bid, but because of the unpopularity of the product, service or site, generate the least revenue for the search engine because of the failure of customers to "click through" to the site.

Summary Of The Invention

An object of the present invention is to provide an improved method of conducting electronic commerce, whereby businesses having Web sites can improve the likelihood that consumers will visit their sites, and thus ultimately
5 increase sales.

Another object of the present invention is to provide a barter-based method of doing business, in which a search engine provides search results in placements selected by advertisers who trade goods or services for higher placement of their URL in a listing of search results, or in banner advertisements or in pop-up
10 windows.

Still another object of the present invention is to provide a bid for placement search engine in which clients of the search engine can trade goods or services for the right to appear in banner advertisements or pop-up windows, thereby providing clients of the search engine more flexibility and control in their
15 advertising campaigns.

Yet another object of the present invention is to provide a bid for placement system that utilizes a weighted averaging system in which the bid per click is factored by another parameter, such as the number of click throughs, to thereby correlate placement to a weighted indicator of commercial activity.

20 These and other objects of the invention are met by providing a method of and apparatus for doing business which includes providing a search engine having at least one page, receiving bids from advertisers to place a banner advertisement on the at least one page, and displaying the banner advertisement of the highest bidder on the at least one page.

25 Another aspect of the invention is to provide a method of doing business, or a method of advertising and providing search results through the internet or other networks, which includes providing a search engine, receiving bids from advertisers for placement in a pop-up window, and displaying the pop-up window

with a URL or a link to a URL of at least a highest bidder on at least one page of the search engine.

Further, the present invention provides a method of doing business, or method of advertising and providing search results through the internet or other networks, which includes accepting a bid from advertisers for placement in at least one of a search result, a banner advertisement or a pop-up window, based on a per click bid, placing advertisers according to their bids in order of highest bid for highest placement, computing a dollar value periodically based on the per click bid times the number of click throughs, and re-placing periodically based on the computed highest dollar value receiving the highest placement.

These and other objects and features of the present invention will become more apparent from the following detailed description, drawings and claims.

Brief Description Of The Drawings

Figure 1 is a block diagram of a typical distributed database for storing multimedia information and being capable of searching with a search engine;

Figure 2 is a printout of the home page of a search engine according to a preferred embodiment of the present invention;

Figure 3 is a printout of the second half of the home page of Figure 2;

Figure 4 is the first half of a page generated by the search engine of the present invention, after the visitor clicks on the "Business" category that is listed immediately below the search word window;

Figure 5 is the second page of the page shown in Figure 4;

Figure 6 is a page of the search engine showing the results of a search for the term "flowers," and showing the placement of links to Web sites according to the highest bid per click;

Figure 7 is a flow chart showing the steps undertaken by an advertiser to subscribe to the search engine and submit bids for placement;

Figure 8 is a page from a search engine according to the present invention, prior to the initiation of a search;

Figure 9 is a page from the search engine of Figure 8 after the user has clicked on the "business" subject heading, and after the appearance of a pop-up window for displaying advertiser URLs, links to advertiser URLs, or other advertiser content;

Figure 10 is an enlarged view of the pop-up window shown in Figure 9; and

Figure 11 is a flow chart demonstrating operation of a weighted average bidding process, in which per click bids are factored by the number of click throughs to the advertiser's site.

Detailed Description Of The Preferred Embodiments

The present invention can be implemented in any conventional network using known hardware. An example is illustrated in Figure 1, in which a distributed computer system 10 includes client or purchaser computers 12 connected to merchant server computers 14 through a network 16. The network 16 can use Internet communications protocols to allow the customers to communicate with the merchants to conduct electronic commerce.

The customer computers 12 can be personal computers (PCs), workstations, or any of a variety of other larger or smaller computer systems. Each customer computer typically includes one or more processors, memories, and input/output devices. The servers of the merchants can be similarly configured, although the server may include multiple computers connected by a separate private network.. The network 16 may be the Internet, which is hundreds of thousands of individual networks of computers.

During operation of the distributed system, customers desiring to access the Web sites of the merchants can do so by accessing information records stored by the servers of the merchants using, for example, the World Wide Web

(WWW), The records of information can be in the form of Web pages, which can be data records including as content plain textual information, or more complex digitally encoded multimedia content. It should be noted that although this description focuses on locating information on the Web, the system can also be used for locating information via other wide or local area networks or information stored in a single computer using other communications protocols.

The purchasers can execute Web browser programs such as NAVIGATOR, EXPLORER, or MOSAIC to locate pages or records. The browser programs allow the users to enter addresses of specific Web pages to be retrieved. Typically, the address of a Web page is specified as a Universal Resource Locator (URL). In addition, once a page has been retrieved, the browser program can provide access to other pages or records by clicking on hyperlinks to previously retrieved Web pages. Such hyperlinks provide an automated way to enter the URL of another page and to retrieve that page.

In order to identify pages of interest among the millions of pages which are available on the Web, a search engine 18 can be accessed by the purchasers. The search engine includes means for parsing the pages, means for indexing the parsed pages, means for searching the index, and means for presenting information about the pages located. All of these means are generally known, and implemented in software. The search engine 18 can be configured as one or more clusters of symmetric multi-processors, such as Digital Equipment Corp. ALPHA processors, memories, disk storage devices, and network interfaces which are all connected via high speed communications buses. The ALPHA microprocessors, which are 64 bit RISC processors, are mentioned only for illustrative purposes, and the search engine can use any other type having sufficient processing power and memories, including 32 bit CISC processors. For smaller databases, the search engine can be run on the computer storing the database.

The search engine can include an automated Web browser, a parsing module, an indexing module, a query module, index stream readers, an index and

a maintenance module, all of which can be of conventional design. During the operation of the search engine 18, the automated browser, which as noted earlier can be referred to as a robot, periodically sends out requests over the network 16. The requests include URLs. In response to the requests, the merchant sites return
5 the records or pages to the browser. The browser can locate pages by following hyperlinks embedded in previously acquired pages.

According to the present invention, a search engine facilitates advertising for merchants, and helps target their goods or services to a greater number of customers. The search engine of the present invention can correspond structurally
10 to that shown in Figure 1, and can be accessed by using the URL <http://www.rocketelinks.com>. The home page 20 for the search engine according to the present invention appears as two pages, respectively presented in Figures 2 and 3.

The home page 20 includes a variety of features including a "Today's Best
15 Clicks" section 22, which lists in order headlines "Rewarding Credit Cards," "SJF.com - Material Handling Equipment & Services," "Mortgages for Any Credit At," "Don't Miss This Opportunity...", and "homeloans online at ...". The headlines are placed in a ranking based on what the merchant is willing to pay per hit, e.g., the highest placement has the highest per hit cost, which is paid by the
20 merchant to the search engine company. For illustration, the highest placement in the Best Clicks section is \$0.69 per click. When a potential customer clicks on the "Rewarding Credit Cards" headline, the customer is linked to the Web site of the merchant; the merchant pays the per click rate, and the customer visiting the Web site may purchase goods or services from the merchant. The more hits the
25 merchant has, potentially the more sales will be generated. Since the first several positions of the headlines will typically generate the most hits, merchants typically will bid more per hit to the search engine. This is demonstrated by the fact that the second highest placement is at \$0.68 per hit.

The search engine of the present invention also includes a "top clicks" section 24 which is similar to the "best clicks" section 22. The top clicks section spans both halves of the home page (Figures 2 and 3). Just as in the "best clicks" section, the higher placements cost more per hit to the merchant, as illustrated..

5 The right-hand side of the home page includes a "featured sponsors" section 26 (also spanning both pages). This section is broken down into different areas of interest, including "Money," "Gifts," "Internet," "Shopping," "Business," "Entertainment," and "E-Commerce." Within each section there is a listing of headlines for goods or services that relate to the particular area of interest. The
10 headlines are placed or ranked according to an amount the merchants are willing to pay per hit. For example, in the Money section, "SJF.com" was the highest placed add, at \$0.64 per hit. The cost per hit for all items on the home page is determined by the search engine proprietor, who ranks them according to what the merchants are willing to pay.

15 One of the many novel features of the search engine of the present invention is that multiple different search results appear automatically on the home page of the search engine. In the illustrated embodiments, the multiple different results provide multiple per click bidding opportunities for the advertisers. The multiple different results are listed in the best clicks section 22,
20 the featured sponsors section 26, and in the Featured Search sections 28, 30 and 32. As seen in Figure 2 and 3, the Featured Search sections have topical descriptors such as "Games," "Gifts," and "Entertainment." Preferably, the topical descriptors change periodically, as will be described more fully below.

25 When a visitor visits the home page of the search engine, the three Featured Searches automatically produce search results that have click-able headlines. Examples of headlines under Games include "Free Poetry Contest - \$58,000 in prizes," showing a per hit cost to the advertiser of \$0.30. Just as in the other sections, advertisers (merchants) pay to place their advertisements in the

Featured Search categories; the advertisers willing to pay the highest are placed in the categories according to the highest bids for placement.

Accordingly, one aspect of the invention is the automatic Featured Search feature, whereby just by visiting the search engine home page, the consumer is
5 immediately provided with choices of Web sites to visit based on a search (that is paid for). Another aspect is that multiple search results are displayed on the home page of the search engine.

One optional feature is that at time intervals of, for example, fifteen
10 minutes, the Featured Search categories can be changed so that a frequent visitor to the search engine will have a variety of items to view at different times. This also tends to provide multiple exposures of links to multiple Web sites on the home page of the search engine, thereby providing additional opportunities for advertisers to have exposure on the home page.

On the home page 20, there are several categories listed under the search
15 word window 32, including "Business," "Computers," "Education," "Entertainment," "Family," etc. By clicking on one of the categories, the home page changes to present "Best Clicks," "Top Clicks," "Featured Sponsors," and "Featured Searches" that correspond to the category. For example, when the visitor clicks on "Business," a page 21 shown in Figures 4 and 5 will appear. This
20 allows more advertisers more opportunities to appear in multiple automatically generated search results, categorized to match the advertiser's goods or services. As shown in Figures 4 and 5, the resulting automatically generated searches produce results pertinent to the business category. The featured searches become "Business," "Stocks," and "Investing," for example. Preferably, the featured
25 sponsors, best clicks and top clicks also change to include headlines that relate to the business category. For example, the top "Best Click" for business is "Fierce.com" at \$0.20 per click.

When a user or consumer uses the search engine to conduct a search, he or she enters a keyword or keywords into the window 32 provided next to the

“launch” button 34. Referring to Figure 6, by entering the word “flowers,” a search result page 36 is generated. The search results are placed according to the highest per hit bid accepted by the search engine proprietor. In the illustrated embodiment, the highest bid, for “Australia Millennium Gallery Of Prints Posters” was \$0.40, resulting in that particular headline being the highest placed headline in the search results. The other headlines are listed in descending order determined by the amount of the bid.

The search engine is programmed to allow a merchant or advertiser to open an account in a way that the advertiser can bid on search terms so that the higher bids receive higher placement of the advertiser’s Web site in the search results. Referring to Figure 7, the first step 38 in the subscription process is for the advertiser to open an account with the search engine proprietor. An essential element of the subscription process is for the advertiser to enter its URL.

In the second step 40, the advertiser lists a search term which is relevant to a particular good or service offered by the advertiser, e.g., “flowers.” In the next step 42, the advertiser provides a written description of language that would appear in the search results. In the next step 44, the advertiser submits a bid on a per hit basis, e.g., \$0.25.

At that time, the advertiser may elect to add an additional search term. Instead of having to completely re-fill the information provided, the search engine is programmed to provide “fill-down” at block 46 so that the advertiser does not have to re-submit URL and other information. A bid for the second term is submitted at block 48. Alternatively, the additional keyword or term could be added prior to submitting a bid, so that all bids could be submitted at the same time.

At any time during the subscription process, the advertiser can elect to place the advertisement in the general search database, or in any of the multiple automatically generated searches that appear on the search engine home page, such as in the featured search section. The advertiser will be presented with

multiple options for where to place the advertisement, thus providing multiple places to display the advertiser's advertisement, in effect giving more opportunities to have a high placement and enhanced visibility of their Web site.

Once all bids are submitted, the advertiser has an option to choose at block 50 between two methods of payment. The first is a conventional one in which the advertiser submits a method of payment at block 52, such as a credit card. Afterwards, the advertiser selects a dollar amount (or other currency) to establish in an advertising account at block 54. Once this is done, the search engine proprietor approves or rejects the transaction, for example, by accepting or rejecting a check, or by verifying with a credit card company that a charge can be made, e.g., that the dollar amount of advertising does not exceed the credit limits of the card.

If payment is rejected, the transaction stops at block 56; if credit is approved, or a check is accepted, an account balance is established at block 58. At that point, the keywords or terms bid upon are entered into the database of the search engine, and thereafter, for each hit that is registered, the advertiser's account balance is debited on a per click basis by the amount of the bid.

Another novel feature of the present search engine is that the advertiser has an option to barter for placement. This option is chosen at block 50 of Figure 7. If the barter option is chosen, the advertiser submits his or her goods or services at block 60. For example, an advertiser may submit an automobile having a retail value of \$20,000. The submission is in essence an offer from the advertiser to the search engine proprietor to trade \$20,000 in goods for a corresponding dollar amount of advertising. The advertiser may at that time request a 1 to 1 evaluation, meaning \$20,000 in advertising in exchange for the \$20,000 retail value of the goods.

As a threshold matter, the search engine proprietor may reject the goods or services presented at block 62 for whatever reason deemed appropriate. Most notably, the proprietor may find that some goods and services may be difficult or

impossible to re-sell. Assuming the proprietor is willing to take the goods or services, the next step in the process is for the proprietor to evaluate the goods or services at block 64. The evaluation is made to correspond to a dollar amount, or other currency. In the prior example, the search engine proprietor may evaluate the \$20,000 goods at a wholesale value or less, such as \$15,000. Once the evaluation is submitted to the advertiser, the advertiser can reject the evaluation and stop at block 66. Alternatively, the advertiser can re-submit the goods or services at a different value, such as \$17,000 in a re-bid, re-submit loop 68. Once an evaluation is agreed upon, the evaluation is accepted by the advertiser and an account balance is established at block 70. As in the case of the cash transaction, the account is debited by the per click bid amount, each time the advertiser's Web site is visited.

The present invention includes a method and apparatus for allowing advertisers to bid for the placement of their URLs in banner advertisements and/or pop-up windows. The bidding process, as well as the option of paying with barter, can be done according to the above described system. Referring to Figure 8, which is page 1 of a search engine or browser home page 72. As in the aforementioned embodiments, the preferred page 72 includes a general topics area 74 in which are listed a plurality of general topics, including "business," "cars," "casinos," "entertainment," etc.

In all embodiments, it is preferable that the bidding advertisers have a topic specific bid. Thus, banner advertisements and pop-up windows are designed to appear when certain topics are chosen or when certain search terms are used. For example, if the general topic "business" is clicked on from Figure 8, the screen or page 76 of Figure 9 appears. A banner advertisement 78 appears near the top of the page 76, with content and/or URLs or links to URLs that are business related.

In one aspect of the invention, the advertiser who appears in the banner advertisement 78 is the one who had the highest bid per click for the banner that

appears on the first page of the "business" search. The banner advertisement has a "refresh" feature that prevents the advertisement from becoming stale or excessively redundant. In other words, the bid per click may give the advertiser the right to have the banner appear a certain percent of the time, or on a certain page, or at certain timed intervals. For example, the bidding process may elicit a per click bid on a percent-of-time on-line basis, or the bid could be based on constant exposure. In any event, the advertiser can use the above-noted processes for either paying on a cash or credit basis, or on a barter for placement basis.

The page 76 shown in Figure 9 includes an area 80 for listing automatic search results, which are generated on a pay or barter for placement basis as described above. The user's actual search is initiated by entering a search term or terms in the search window 82 and clicking on the "launch" button. However, in one embodiment of the invention, before the search is initiated, a pop-up window 84 will appear somewhere on the page 76; in the example of Figure 9, it appears on the upper right hand side of the page, but any other location for the window would work as well.

The pop-up window 84 can appear as users enter the site, such as on page 72 of Figure 8, as they leave the site, and as they move around the site. The window 84 of Figure 9 shows the latter, wherein as the user moved to a search topic area, the window appeared. The window is preferably topic-specific, so that advertisers would bid on the rights to pop-up windows on a subject matter basis.

Various options can be used for the construction of the window. For example, and as shown in Figure 10, the URLs of the advertisers can be listed in order of the highest per click bid. The window 84 may include an area 86 for content or banner advertising, and two columns of three URLs, totaling six. The first URL in each column is preferably the highest bidder for that particular window, left column, and highest bidder for the same window, right column. Alternatively, the window may only display one URL, corresponding to the highest bidder. When using two lists or columns in one pop-up window, each list

might correspond to a different subject matter, different term or variation of terms. Advertisers will be able to bid on both lists. In addition, the operator of the search engine will set levels at which advertisers can buy placement as the only URL on a particular window. For each of these scenarios, the advertiser will also be able to
5 offer barter in return for placement of their URL on the window.

The bidding procedures allow the search engine operator to offer rotating listings within the pop-up windows for which advertisers can bid for placement. For example, under the "finance" category pop-up window, the operator will guarantee that the top two bidding advertisers will always show up in the window,
10 and the next six advertisers will rotate among the other four spots (if using the example of only six being shown at one time, as in Figure 10). Other permutations are contemplated to be within the scope of the present invention.

Another aspect of the present invention is to provide a weighted average bidding process and apparatus so that the placement of advertisements in banners,
15 and URLs in search results and pop-up windows is reflective of true value rather than simply the per click bid. For example, advertiser "A" is the highest bidder for placement in search results under "stock picks" at \$0.20 per click through, and over a twenty-four (24) hour period has one hundred (100) click throughs. This generates \$20.00 in daily revenue for the operator of the search engine. However,
20 advertiser "B" bid \$0.15 per click through but has one thousand (1,000) click throughs, thus generating \$150.00 in revenue over the same period.

As seen from the example, the lower bid of advertiser B represents, on a weighted average, a higher daily bid, when volume of traffic is factored into the per click bid. According to the present invention, advertiser B becomes the
25 highest bidder, even though the per click rate is lower, and becomes the highest placed advertiser. The placement can be for search results, banner advertisements, or pop-up windows. Payment for the bids can be through the aforementioned barter system or conventional cash or credit terms.

Figure 11 provides a flow chart of how the weighted average bidding system can be operated. In block 90, the search engine operator offers placement in a banner advertisement, a pop-up window, or search results, based on subject matter and/or key search terms or phrases. The offer is displayed on the advertiser's terminal and is served by the search engine operator's server over the internet or through other network connections. The screen provides instructions to the advertiser, who enters his or her key account information, or if a new customer, the screen prompts entry of new account information.

Block 92 represents the inputting and receipt of the advertiser's bidding information, most important of which is the per click bid price for multiple bidders, represented as bids B1 and B2. The search engine operator ranks the bids on the per click basis for the particular advertisement or result and displays the placements accordingly. Block 94 represents the display of an advertiser's content and/or URL in a banner advertisement, a pop-up window, or listing in search results. Referring back to Figure 9, the placement of bid-for search results can be as seen, with "350MB WEB Hosting" being the highest placement, corresponding to the highest per click bid of \$0.84.

To perform a weighted average, the operator of the search engine collects data on a significant aspect of commercial activity associated with the advertiser's site. A key indicator of commercial activity would be the number of click throughs registered to that particular site. This data can be generated automatically through the software of the search engine operator. Block 96 represents the collection of data; the software then takes the data and performs a weighted averaging process over a period of time selected to represent an accurate sampling of site activity. For example, the data can be collected over a twenty-four (24) hour period, so that if the previous highest per click bidder was at \$0.84 per click through, and 100 click throughs were registered over the 24 hour period, this factored amount of \$84.00 becomes the advertiser's daily bid. If the previous next-highest bidder at \$0.83 per click scored 200 click throughs, the daily bid

becomes \$166.00. After collecting all the data, the advertisers are re-ordered according to the highest daily bid, and then the URLs are placed and displayed in results accordingly. This is represented in block 98.

5 All of the foregoing steps of the process can be implemented in software at the search engine operator's server. The operator can optionally set the time period at what is deemed statistically appropriate. This could be minutes, hours, days, or longer. Also, the use of click throughs is just one example of a weighting factor. Other factors could include past bidding activity, historical click through rates, and past click through rates based on different placements. In other words, 10 an advertiser's activity on other search terms could be used to access their placement in additional search terms. This allows the search engine operator an opportunity to reward advertisers who have had active advertising accounts with the search engine. Moreover, at the bidding stage, the operator can use projected weighted averages in lieu of past performance if the advertiser is willing to 15 guarantee a click through rate based on a certain placement. Thus, the initial bid may include a per click rate, and a guarantee of at least a certain volume of click throughs, so that the initial bidding allows the advertisers to forecast in order to gain high placement.

As in the other embodiments, the weighted average bidding of the present 20 invention can be based on cash, credit or barter. If based on barter, the system of accepting barter bids described herein can be used. The weighting system can be based on value of click throughs over a predetermined period of time, such as one day or one week. If measured over a daily period, the system can include means for averaging the daily dollar value, so that anomalies such as a very bad day and a 25 very good day tend to average out. This also prevent dramatic daily shifts in the advertiser placements. In the averaging process, the system can use combinations of averages, such as the daily average over the last week, the daily average over the last month, or the daily average year to date, or combinations thereof.

Yet another unique aspect of the invention is that, within an integrated commercial environment, an advertiser can designate percentages of advertising budget or balance of account to be used for placement in search results verses placement in pop-up windows and/or banner advertisements. For example, an advertiser with a \$400.00 credit in his account may designate, at any time, that the account balance, or ratios thereof, be used for one form of advertising or the other, such as \$300.00 for placement in search results and \$100.00 for banner advertisements. The advertiser can click on an account management icon and go to a menu having an option for "changing advertising distribution" or words similar in effect. The result is that the advertiser has the flexibility to change focus in response to real time feed back from customers or other sources.

The present invention further includes means for using a search term relevancy rating system. The relevancy of the advertiser's URLs to a particular search term for which it has been bid can be critical to the effectiveness of a search engine, in terms of directing customers to the advertiser and further in terms of generating revenue for the search engine. The more relevant a site is to the search term, the more targeted the consumer will be for the advertiser's product or service, increasing the likelihood that the consumer will buy the advertiser's product or service. Also, the more relevant a site is to the search term, the more likely that a user or customer will quickly and effectively find sites that offer the services and products for which he or she is searching. The result is a more satisfying experience for the user.

An example can be seen by first referring to Figure 9. A rating button 83 is provided after each bid value of each URL. Consumers and advertisers will be able to click on any of the rating buttons to rate the relevancy of that search term to that individual site. In the example, after the rating button 83 is clicked, a pop-up window will appear. As with the advertising pop-up windows, the window can pop-up at virtually any location. The window can provide for responses to any number of questions, although in the more simple implementation of the

invention, the window will include a query, such as "was this site relevant to the search term which you used?" and provide a space to select a yes or no answer. In more detailed embodiments, the queries can be more detailed and explicit, and provide space for reviews by the users. Additional menu options can allow for users to explain why they believe the search term is or is not relevant to the site. Editors of the operator of the search engine can then review the responses, whether tallied automatically by the system or whether reviewed manually, and formulate a response. One possible response is to deny the advertiser the right to bid on a search term deemed irrelevant to the advertiser's site. Another response may be to use a relevancy rating as the factor or one of the factors in determining the value of a bid. For example, if advertiser "A" bid \$0.20 per click and has 100 click throughs, and a relevancy rating of 1.0 (as established by editors), the factored bid is $(\$0.20) (100) (1.0) = \20.00 . On the other hand, if advertiser "B" has the same click through rate and bids the same dollar amount, but scores a 0.75 on the rating system, the factored bid of $(\$0.20) (100) (0.75) = \15.00 would be lower, thus entitling advertiser A to higher placement.

The invention described herein has made reference to operation of a "search engine," which has well understood meaning in the art. However, the term as used herein can refer to other devices, whether operated through the internet, intranets, or other network means, in which search functions and/or the display of advertiser URLs can be found. This definition could include, for example, ISPs or portals with content (such as AOL).

As a further aspect of the invention, the bidding processes can be used to place advertiser URLs in banner advertisements or pop-up windows on other sites, not just the search engine. For example, the present invention provides for a business relationship where the operator operates a web site that acts as a clearing house for advertisers who wish to place advertisements on the web sites of targeted web sites. In the context of the invention described above, the "operator" could be the search engine. Referring to Figure 2, in order to initiate placement of

an advertisement in a site other than the host search engine, the advertiser can start in the normal procedure of clicking on the statement "List your site on Rocketlinks" which appears on the screen shot of Figure 2. Words to the effect of "List your site on the Rocketlinks Network" may be preferable to advise new
5 advertisers that their placements can occur in the present site or other sites.

Once these words are clicked on, the advertiser's monitor displays a screen that corresponds to the flow chart of Figure 7, in that menu options allow the user to enter the basic information necessary to establish an account. At the end of the account-establishing process, the advertiser may be presented with a menu
10 option that allows selection of placement on the present site (Rocketlinks) or other sites. This is shown as block 71 in Figure 7, and can be presented as click on choices or boxes for entering "present site" or "other site," for example. If "present site" is selected, menu options can be presented on the advertiser's screen for selecting "Add Type," meaning that the advertiser can be given the choices of
15 "pop-up window," "search results," or "banner advertisements." Each option can be presented with a "percentage" option, so that the advertiser can select that, for example, 100% of the advertiser's account is spent on banners, pop-up windows or search results; the advertiser could alternatively choose any combination of percentages to split expenditures between the three topics. In general, the option
20 of selecting "add type and %" is shown in block 73 of Figure 7. Box 73 may also represent the additional step of "selecting a banner" if the add type chosen is a banner advertisement. Typically, the choice of banners will appear as a listing of banners that the advertiser can click on to make the selection.

If the option is chosen to place advertisements in "other" sites, a menu
25 selection will be provided, as a separate screen or pop-up window, or in other appropriate ways, so that the advertiser can choose a particular site. This can be done by providing an entry window for a specific URL where the advertiser desires to be placed, or the advertiser may be provided with optional subject matter headings, such as "business," "finance," "sports," etc. Once the general

heading is selected, the next screen or window can provide more specific topics, such as, after selecting "sports," the options of "baseball," "basketball," "tennis," etc. appear. These topics can be followed by increasingly more specific sub-topics, until a specific listing of URLs is found.

- 5 The advertiser can optionally click on the URL and view the site to determine whether the advertiser wishes to select that site as a placement venue. If so, the menu may include a "select site" button next to the listing.

- Once the site is selected, the advertiser can then proceed to the next menu option, which allows the advertiser to choose between types of advertisements,
10 such as pop-up windows, banner advertisements or search results. As noted above, the advertiser can also select more than one advertisement type, and possibly all types, and input a percentage of account to used on each.

- In reference to Figure 7, the overall process of establishing an account has been described with respect to a specific sequence. However, the sequence can be
15 varied so long as the basic steps are included. For example, the advertiser may be given an option of selecting "other sites" as the first step prior to entering any other account-forming information. Similarly, the advertiser could be given the option of choosing "barter" or "currency" prior to taking any further steps in the enrollment process. Basically sequence of data entry, and the exact form of entry,
20 i.e., menu options, pop-up windows, option buttons, etc., are mere design choices.

- The host search engine or web site for acting as the conduit between the advertisers and other web sites initiates the process by establishing a data base of client web sites. These web sites are those that desire to receive banner advertisements, pop-up windows, and have established a relationship as a client of
25 the search engine. The host web site acts as a conduit or clearing house between the advertisers and the other web sites. In fact, the advertisers may themselves have a client relationship with host web site. The host web site uses editors to arrange the various client web sites in appropriate categories so that advertisers can locate them in the process of choosing "other" web sites and advertising types.

The host web site may optionally provide screening options for the client web sites to avoid certain types of advertisers from appearing on the client sites. The screening can be done manually or automatically by the host web site's server.

5 The apparatus for effecting the aforementioned method of advertising can include a server for the host web site, which can be connected to the advertisers' servers, or any other computer means, typically having a terminal to permit interaction between the host server and the advertiser. Preferably, the apparatus includes means for connecting to the host server to the servers or other computer means of the clients, so as to facilitate creation of the database of client web sites.

10 The host server can provide a platform for installing the pop-up windows and banner advertisements of the advertisers on select pages of the client's web site. As noted previously, the host server may be that of a search engine operator or a neutral conduit, i.e, a server that simply acts as a clearing house for collecting advertisements and placing them on client web sites.

15 One advantage of the advertising clearing house is that the host web site can perform all of the financial functions associated with buying advertising space. The host receives payments or promises of payment from the advertisers in the account creation or maintenance phase of the procedure. Then, based on specific arrangements made with the clients, the host will forward a portion of the

20 payments or promises of payments to the clients. The exact percentage can be negotiated with each client, and can be volume discounted, for example, or the host can publish standard percentages as part of the process of enlisting clients in the database.

25 It is understood that although the present invention has been described with reference to a preferred embodiment, various modifications, known to those skilled in the art, may be made to the structures and process steps presented herein without departing from the invention as recited in the several claims appended hereto.

Throughout the description and claims which follow there are references to means for facilitating the interaction between the customer and the search engine, between the search engine proprietor and the advertiser, and between the advertiser and the customer. These various means are provided in the software
5 written for the search engine. By example, when an advertiser seeks to subscribe to the search engine and purchase, either with cash or barter, the various advertising schemes described herein, the program will display on the PC of the advertiser the various forms and prompt the entry of the desired data. The advertiser uses his or her keyboard to enter keywords and bid amount, and provide
10 other required information necessary to establish an account, including the URL of the advertiser and the description that would be displayed either on the home page of the search engine or in the results of a search initiated by the visitor/customer. Any standard programming techniques and languages can be employed to implement the foregoing.

What is claimed is:

1. A method of operating a search engine, comprising the steps of:
providing a web site for the search engine;
offering to advertisers at least one of a pop-up window and a banner
5 advertisement which will appear on at least one page of the search engine web
site;
soliciting bids from the advertisers, each having a URL, each bid
corresponding to an amount that each advertiser is willing to pay to have its URL
appear in the pop-up window;
10 placing the URL of at least the advertiser having a highest bid in the pop-
up window; and
charging the advertiser with the highest bid the bid amount.
2. The method according to claim 1, wherein the step of charging the
advertiser comprises charging an amount payable in a currency.
3. The method according to claim 1, wherein the step of charging the
advertiser comprises charging an amount payable in barter for at least one of
goods and services.
4. The method according to claim 1, wherein the step of soliciting bids
includes soliciting a bid for a pop-up window, and the step of placing the URL
comprises placing a plurality of URLs in the pop-up window in order of a highest
bid having a highest or otherwise most conspicuous placement, and the next
5 highest bids having next highest placement.
5. The method according to claim 4, further comprising providing revolving
placement for advertiser URLs, including providing placement of at least the

- highest bid advertiser in the pop-up window on a continuing basis, while providing revolving placement for the next highest bid advertisers in the same
5 pop-up window at placements below the highest bidder.
6. The method according to claim 5, comprising providing the pop-up window with a predetermined number (x) of URL placement possibilities, placing the highest bid advertiser in the highest placement on a continuing basis, and placing a number of next highest bid advertisers corresponding to (x-1) in the next
5 highest placements on a rotating basis, such that each time the pop-up window appears, the highest bid advertiser's URL appears in each appearance of the pop-up window, while the (x-1) advertisers appear on a rotating basis.
7. The method according to claim 1, wherein the step of soliciting a bid includes soliciting a bid based on a per click basis, and wherein the charging step includes charging the advertiser the per click rate times the number of clicks.
8. The method according to claim 1, wherein the step of soliciting a bid includes soliciting a bid based on a per click basis, and the step of placing according to the highest bid includes initially placing the advertiser's bids according to the highest per click rate, obtaining data on the number of click
5 throughs for each advertiser over a specified period of time, factoring the per click rate times the number of click throughs to derive a dollar value over the specified time, and re-placing the advertisers periodically according to the highest dollar value.
9. A search engine for use in a network such as the Internet, comprising:
a database of advertiser's URLs and corresponding descriptions of Web sites;
a web site for the search engine;

- 5 at least one of a pop-up window and a banner advertisement appearing on
at least one page of the search engine web site;
 means for displaying at least one of the URLs in at least one of the pop-up
window and the banner advertisement; and
 bidding means for determining which advertiser's URL to display in the
10 pop-up window.
10. A method of bidding on placement of advertisements in at least one of a
search result, a banner advertisement and a pop-up window, comprising the steps
of:
 receiving a plurality of bids for advertisers on a per click basis;
5 factoring the plurality of bids by a weighting factor to obtain a weighted
value;
 placing the advertisements in order of highest weighted value.
11. The method of bidding according to claim 10, further comprising
providing means for an advertiser to open an account, providing means for the
advertiser to establish a credit balance to be offset by charges for click throughs at
a per click rate, and providing means for the advertiser to select a ratio of
the credit balance to be used for search results placement and at least one of
banner advertisements and pop-up windows.
12. The method of bidding according to claim 10, wherein the receiving step
includes receiving a bid as currency value per click.
13. The method of bidding according to claim 12, wherein the
factoring step includes collecting click through data over a predetermined period
of time, and multiplying the number of click throughs by the per click bid rate to
establish the weighted value for each advertisement.

14. The method of bidding according to claim 13, further comprising rearranging the placement of advertisements periodically in response to changes in the weighted values.
15. The method of bidding according to claim 13, further comprising averaging the weighted values of the advertisements over a predetermined averaging period, and the rearranging step includes rearranging the placement of advertisements on the basis of the average, weighted value.
16. The method of bidding according to claim 10, wherein the receiving step comprises receiving a bid based on a value per click from each advertiser, and the factoring step includes compiling rating information based on the relevancy of a search term to a particular web site to provide a rating value, and factoring the per
5 click value by the rating value to derive the weighted value.
17. A method of operating a search engine, comprising the steps of:
providing a home page;
receiving a plurality of bids from advertisers to establish a bid value for each advertiser on a per click basis;
5 factoring the plurality of bids by a weighting factor to obtain a weighted value; and
placing the advertisements in order of highest weighted value.
18. The method according to claim 17, wherein the step of factoring the plurality of bids by a weighting factor to obtain a weighted value includes collecting data on a parameter indicative of commercial activity, and multiplying the parameter by the bid value to obtain the weighted value.

19. The method according to claim 18, wherein the parameter is an average number of click throughs over a predetermined time interval.
20. The method according to claim 18, wherein the parameter is a relevancy value.
21. The method according to claim 20, further comprising providing an optional means for a user or advertiser to enter an evaluation of the relevancy of a search term to a web site produced in response to a search request, and determining the relevancy value based at least in part on the evaluations of the users or advertisers who elected to evaluate the relevancy of a web site.
22. A method of advertising over a network, comprising:
creating a host web site;
creating a database containing a plurality of client web sites;
making the database accessible on the host web site to visiting advertisers;
receiving bids for placement from advertisers to place advertisements on selectable ones of the client web sites, wherein the advertisements are banner advertisements and a pop-up windows; and
placing the advertisements of advertisers in pop-up windows and banner advertisements on the requested client web site on the basis of the highest bid.
23. A method according to claim 22, wherein the step of receiving bids includes prompting individual advertisers to enter an amount the advertiser is willing to pay per click through.
24. A method according to claim 23, further comprising factoring the per click through amount by a factor indicative of commercial activity or relevance.

25. A method according to claim 24, wherein the factoring step includes measuring a quantity of click throughs over a predetermined period of time.

26. A method according to claim 24, wherein the factoring step includes collecting data from customers visiting the client web sites, the data being indicative of the customer's assessment of the relevance of the subject matter of the advertiser's advertisement to the subject matter of the client web site.

27. A method according to claim 22, further comprising receiving at least one of a payment and a promise of payment from the advertisers for the placement of advertisements in at least one pop-up window or banner advertisement, and passing at least a portion of the payment or promise of payment to the client.

28. An apparatus for advertising over a network, comprising:
a host server having a program that generates a host web site;
a database stored in the host server or other storage means connected to and accessible by the server, and containing a plurality of client web sites, the
5 database being further accessible through the network to visiting advertisers;
means for receiving bids for placement from advertisers to place advertisements on selectable ones of the client web sites, wherein the advertisements are banner advertisements and a pop-up windows; and
means for placing the advertisements of advertisers in pop-up windows
10 and banner advertisements on the requested client web site on the basis of the highest bid.

29. An apparatus according to claim 28, wherein the means for receiving bids includes an advertiser account creation routine which includes means for displaying requests for account information at an advertiser's terminal, means for

receiving the account information at the host server, and means for receiving at least one of payment and a promise of payment from the advertisers.

30. An apparatus according to claim 29, further comprising means for distributing at least a portion of the payment or promise of payment to the client.

31. An apparatus according to claim 28, wherein the means for receiving bids includes means for the advertisers to submit a per click bid, means for collecting data on the number of click throughs for advertisements appearing in one of the pop-up windows and banner advertisements, and the means for placing includes
5 means for placing the advertisements on the basis of the highest weighted bid, the weighted bid being the per click bid multiplied by the number of click throughs.

32. An apparatus according to claim 31, further comprising means for adjusting the placements periodically in response to changes in the average weighted bids of the advertisers over a predetermined period of time.

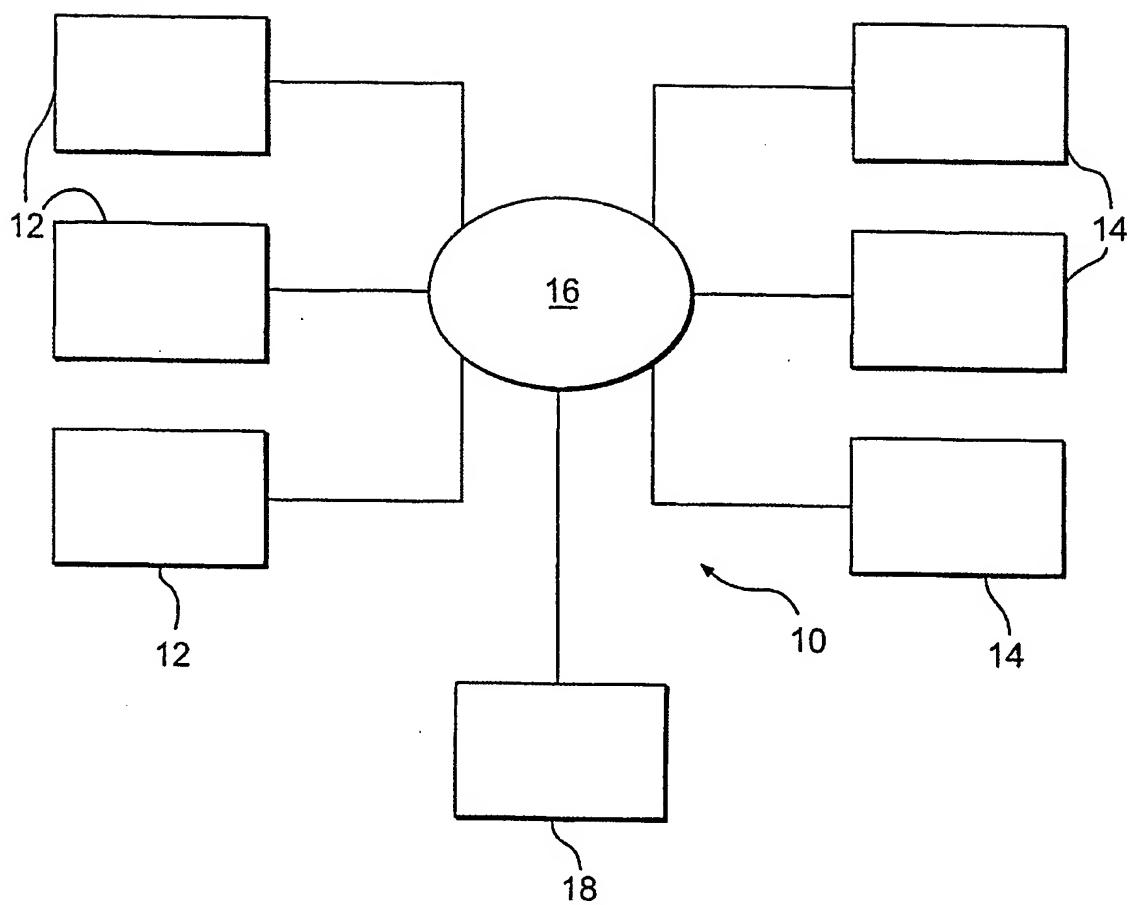
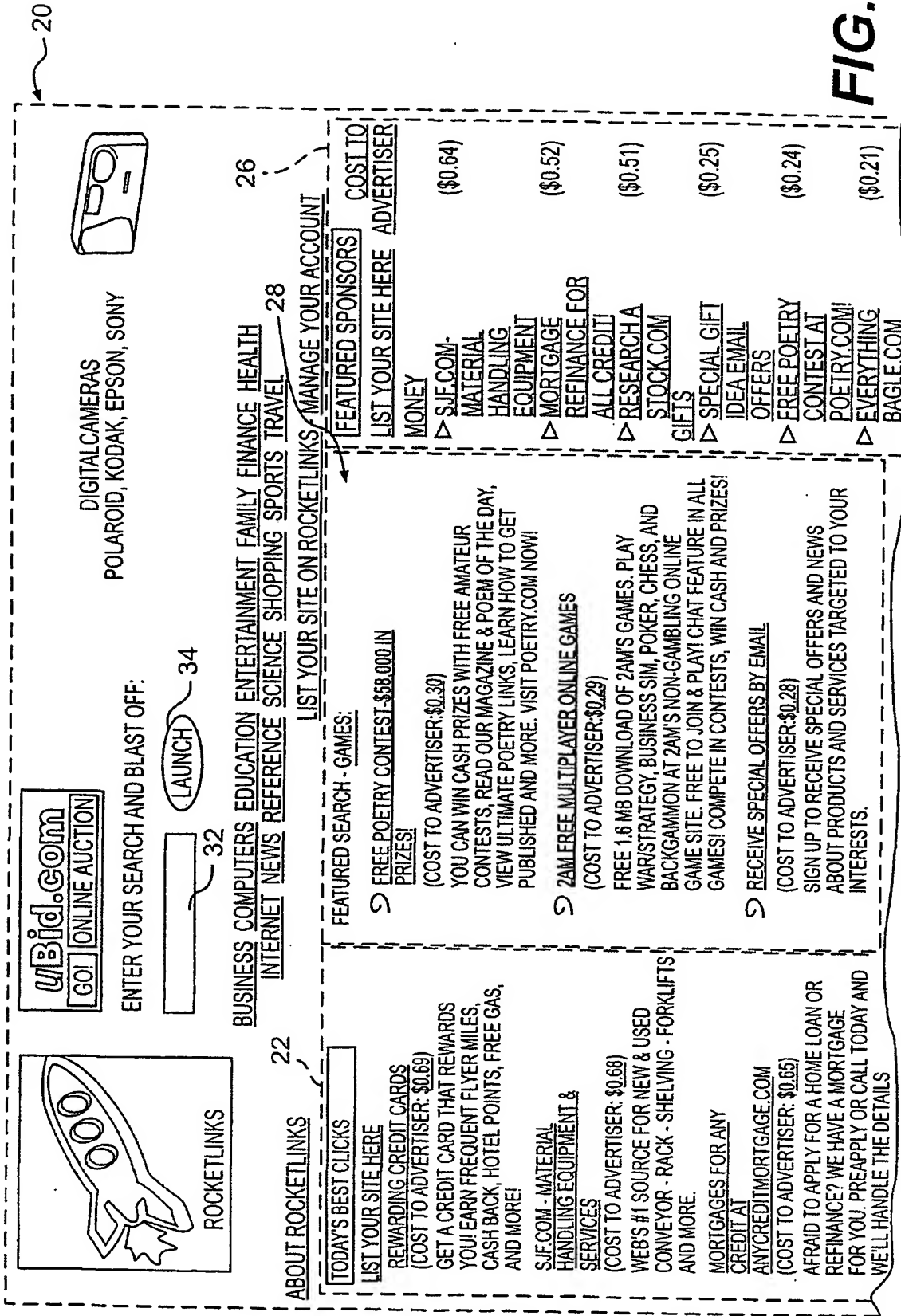


FIG. 1

2/15

FIG. 2



3/15

30

FEATURED SEARCH - GIFTS:

[FLOWERSBYNET.COM - TELEFLORA](#)
 EID, AES
 (COST TO ADVERTISER: \$0.61)
 FLOWERS, THE FASTEST & EASIEST WAY TO SEND,
 EMOTIONS, FEELINGS & GIFTS OF LOVE ANYWHERE
 24 HOURS A DAY 7 DAYS

[21CENTURY.WHOLESALE.PRODUCTS](#)
 (COST TO ADVERTISER: \$0.60)
 THE BEST PLACE TO GET THE BEST PRODUCTS AT THE

DON'T MISS THIS
 OPPORTUNITY OF
 STARTING YOUR OWN
 BUSINESS
 (COST TO ADVERTISER: \$0.60)
 THIS IS THE REVOLUTION OF
 THE YEAR 2000! HAND
 TECHNOLOGIES THE HOTTEST HOME-
 BASED BUSINESS CONCEPT IN
 AMERICA TODAY!

HOME LOANS ONLINE AT
[ELKTONMORTGAGE.COM](#)
 FAST!
 (COST TO ADVERTISER: \$0.59)
 APPLY ONLINE NOW FOR FAST APPROVAL!

TODAY'S TOP CLICKS
 LIST YOUR SITE HERE

INTERNET	SHOPPING
ONLINE CREDIT CARDS (\$0.39)	ONLINE CREDIT CARDS (\$0.51)
SURF FOR \$1,000,000 (\$0.38)	SJE.COM (\$0.50)
GET PAID FOR NET SURFING! (\$0.36)	HIGH-TECH HEALTH PRODUCTS ONLINE (\$0.40)

FIG. 2 cont.

4/15

HOME LOANS ONLINE AT ELKTON MORTGAGE.COM FAST!	BEST PRICE ON THE WEB. COME HERE AND YOU KNOW YOU ARE GOING TO SAVE A LOT OF MONEY. BUY 5 ITEMS HERE FOR THE PRICE OF ONE AT OUR COMPETITORS WEBSITES.	BUSINESS SUE.COM- (\$0.08)
(COST TO ADVERTISER: \$0.67)	BERRYWARE HAND-PAINTED TABLEWARE (COST TO ADVERTISER: \$0.52)	EQUIPMENT SUNFINDER (\$0.07)
APPLY ONLINE NOW FOR FAST APPROVAL!	BRIGHT, BOLD CONTEMPORARY HAND-PAINTED TABLEWARE, IDEAL FOR CASUAL ENTERTAINING. FUNCTIONAL ART FOR THE HOME, THE PERFECT GIFT FOR A WEDDING, BIRTHDAY, ANNIVERSARY OR CHRISTMAS. HANDMADE IN USA. FREE SHIPPING.	VACATIONS GET PAID TO (\$0.06)
CRBBOOKS.COM (COST TO ADVERTISER: \$0.50)	FEATURED SEARCH - ENTERTAINMENT: FREE POETRY CONTEST - \$58,000 IN PRIZES!	SURF THE WEB ENTERTAINMENT (\$0.28)
TOP SECRET INFORMATIONS. BOOKS, CD-ROMS, ACCESSORIES.	(COST TO ADVERTISER: \$0.38) YOU CAN WIN CASH PRIZES WITH FREE AMATEUR CONTESTS, READ OUR MAGAZINE & POEM OF THE DAY, VIEW ULTIMATE POETRY LINKS, LEARN HOW TO GET PUBLISHED AND MORE. VISIT POETRY.COM NOW!	BET THE NFL PLAYOFFS OR SUPER BOWL (\$0.27)
MY-HOME-LOAN.COM (COST TO ADVERTISER: \$0.47)	YOUR ONLINE GUIDE TO MUSIC & MEDIA ON THE WORLD WIDE WEB (COST TO ADVERTISER: \$0.37)	CASINO RATINGS GUIDE (\$0.26)
CALIFORNIA DISCOUNT HOME LOANS. PURCHASE, HOME IMPROVEMENT, DEBT CONSOLIDATION.	JAZZ, BLUES, SOUL AND R&B INTERNET RADIO JUST A CLICK AWAY! FIND THE LATEST NEWS AND SPORTS. MOVIE TRAILERS, TV GUIDE LISTINGS, TOO. SEE AND HEAR THE WEB COME ALIVE ON YOUR PC. HTTP://THEBROADCASTWEB.COM	SPECIAL ENTERTAINMENT (\$0.46)
DO YOU KNOW COMPUTERS?		E-COMMERCE ONLINE CREDIT (\$0.45)
(COST TO ADVERTISER: \$0.46)		CARDS SPECIAL E- (\$0.43)
GET PAID FOR WHAT YOU KNOW. TURN YOUR COMPUTER KNOWLEDGE INTO CASH!		COMMERCE EMAIL OFFERS (\$0.43)
		WEBSITE DESIGN AND HOSTING (\$0.43)

FIG. 3

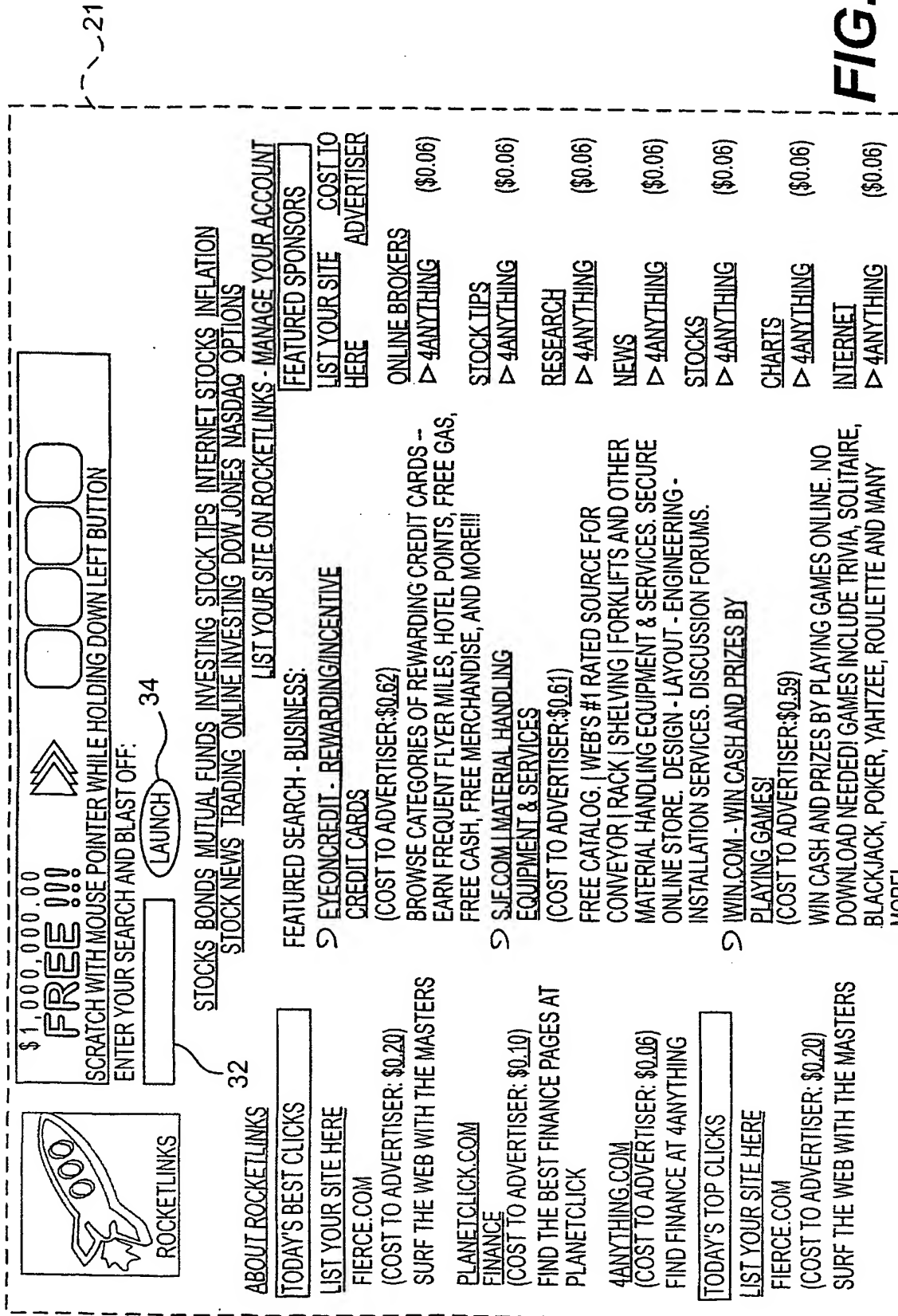
5/15

<p><u>RECEIVE SPECIAL OFFERS BY E-MAIL</u> (COST TO ADVERTISER: \$0.45) SIGN UP TO RECEIVE SPECIAL OFFERS AND NEWS ABOUT PRODUCTS AND SERVICES TARGETED TO YOUR INTERESTS.</p>	<p><u>RECEIVE SPECIAL OFFERS BY EMAIL</u> (COST TO ADVERTISER: \$0.36) SIGN UP TO RECEIVE SPECIAL OFFERS AND NEWS ABOUT PRODUCTS AND SERVICES TARGETED TO YOUR INTERESTS.</p>
<p>TERMS AND CONDITIONS - PRIVACY POLICY - LIST YOUR SITE ON ROCKETLINKS - MANAGE YOUR ACCOUNT</p> <p>COPYRIGHT (c) 1999 ROCKETLINKS.COM. ALL RIGHTS RESERVED. SOME SEARCH RESULTS PROVIDED BY GOOGLE.COM CONTACT US AT: INFO@ROCKETLINKS.COM</p>	

FIG. 3 cont.

6/15

FIG. 4



7/15

FEATURED SEARCH - STOCKS:

➤ STOCKSANDNEWS.COM

(COST TO ADVERTISER: \$0.26)

BRIAN TRUMBORE PROVIDES ALL THE COMMENTARY ON STOCKS, NEWS, AND THE MARKET THAT'S IMPORTANT TO YOU. ORIGINAL ARTICLES INCLUDE THE WEEK IN REVIEW, HOTT SPOTTS, DR. BORTRUM, WALL STREET HISTORY, AND A LITTLE BAR CHAT TO KEEP THINGS IN PERSPECTIVE.

PLANEICLICK.COM

FINANCE

(COST TO ADVERTISER: \$0.10)

FIND THE BEST FINANCE PAGES AT
PLANETCLICK

4ANYTHING.COM

(COST TO ADVERTISER: \$0.06)

FIND FINANCE AT 4ANYTHING

FIG. 4 cont.

8/15

21

➤ MSN HOMEADVISOR: FIND A LOAN

(COST TO ADVERTISER: \$0.25)

MSN HOMEADVISOR: LEARN THE INS AND OUTS ABOUT HOME FINANCING. WHETHER YOU WANT TO FINANCE, REFINANCE OR GET A 2ND MORTGAGE; HOMEADVISOR CAN HELP YOU THROUGH THE ENTIRE FINANCING PROCESS.

➤ INVESTRADE DISCOUNT SECURITIES

(COST TO ADVERTISER: \$0.20)

ONLINE BROKER - LOW RATES - TRADE STOCKS - \$7.95 -
OPTIONS MINIMUM - \$14.95

FEATURED SEARCH - INVESTING:➤ MSN HOMEADVISOR: FIND A LOAN

(COST TO ADVERTISER: \$0.25)

MSN HOMEADVISOR: LEARN THE INS AND OUTS ABOUT HOME FINANCING. WHETHER YOU WANT TO FINANCE, REFINANCE OR GET A 2ND MORTGAGE; HOMEADVISOR CAN HELP YOU THROUGH THE ENTIRE FINANCING PROCESS.

➤ FREE RETIREMENT INVESTING NEWSLETTER
- SENIOR SAVVY

(COST TO ADVERTISER: \$0.21)

A FREE MONTHLY NEWSLETTER KEEPING YOU UP TO DATE ON ALL ASPECTS OF RETIREMENT AND 'SENIORITY.'

➤ INVESTRADE DISCOUNT SECURITIES

(COST TO ADVERTISER: \$0.20)

ONLINE BROKER - LOW RATES - TRADE STOCKS - \$7.95 -
OPTIONS MINIMUM - \$14.95

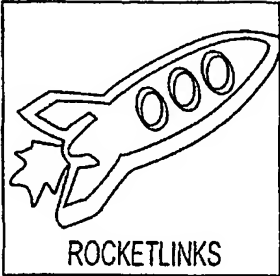
TERMS AND CONDITIONS • PRIVACY POLICY • LIST YOUR SITE ON ROCKETLINKS • MANAGE YOUR ACCOUNT

COPYRIGHT (C) 1999 ROCKETLINKS.COM. ALL RIGHTS RESERVED.
SOME SEARCH RESULTS PROVIDED BY GOOGLE.COM
CONTACT US AT: INFO@ROCKETLINKS.COM


FIG. 5

9/15

36



ROCKETLINKS



Is your home
also your office?

ENTER YOUR SEARCH AND BLAST OFF:

32
LAUNCH
34

POPULAR SEARCHES: CASINO SPORTS MONEY GIFTS ENTERTAINMENT INSURANCE MORTGAGE BUSINESS

ROCKETLINKS HOME LIST YOUR SITE ON ROCKETLINKS - MANAGE YOUR ACCOUNT

SEARCH RESULTS - FLOWERS:

- AUSTRALIA MILLENNIUM GALLERY OF PRINTS POSTERS (COST TO ADVERTISER: \$0.40)

AUSTRALIAN ART PRODUCTS: PAINTINGS, PRINTS, POSTERS, PHOTOS SHIPPED WORLDWIDE. IMAGES OF FLOWERS, WILDLIFE, LANDSCAPES, OUTBACK AND CITYSCAPES. FREE SHIPPING WORLDWIDE
- FLOWERSBYNET.COM - TELEFLORA FTD. AFS (COST TO ADVERTISER: \$0.38)

FLOWERS, THE FASTEST & EASIEST WAY TO SEND, EMOTIONS, FEELINGS & GIFTS OF LOVE ANYWHERE 24 HOURS A DAY 7 DAYS A WEEK. WE OFFER PROMPT, DEPENDABLE SERVICE WITH THE BEST GRAPHICS & FLOWER SELECTION ON THE NET. WE ARE YOUR NEIGHBORHOOD FLORIST ON LINE.
- EYEONCREDIT - REWARDING CREDIT CARDS * CASH BACK * FREQUENT FLYER MILES

* FREE GAS * (COST TO ADVERTISER: \$0.38)

WE SHOW YOU ALL THE CREDIT CARDS THAT GIVE YOU CASH BACK, FREQUENT FLYER MILES, FREE MERCHANDISE, FREE GAS, HOTEL POINTS, AND MORE!!!
- LAROSE.COM FLORIST & GIFT SHOP (COST TO ADVERTISER: \$0.37)

FLORIST AND GIFT SHOP SENDING FLOWERS FREE OF EXTRA SERVICE CHARGES THROUGHOUT NORTH AMERICA, SAVING CUSTOMERS UP TO \$10.95 OVER OTHER NATIONAL FLOWERS-BY-WIRES SERVICES.
- FLOWER.COM, BEST FLORIST ON THE INTERNET (COST TO ADVERTISER: \$0.22)

THE INTERNET'S MOST ENTERTAINING AND AFFORDABLE WAY TO SEND FLOWERS AND GIFTS ANYWHERE IN THE WORLD! CHOOSE ARRANGEMENTS FROM OUR CATALOG OR CREATE YOUR OWN WITH BUILD YOUR OWN BOUQUET TM. BOOKMARK OUR SITE AND VISIT FOR OUR WEEKLY SPECIALS!!
- FREE POETRY CONTEST - \$58,000 IN PRIZES! (COST TO ADVERTISER: \$0.13)

YOU CAN WIN CASH PRIZES WITH FREE AMATEUR CONTESTS, READ OUR MAGAZINE & POEM OF THE DAY, VIEW ULTIMATE POETRY LINKS, LEARN HOW TO GET PUBLISHED AND MORE. VISIT POETRY.COM NOW!

FIG. 6

10/15

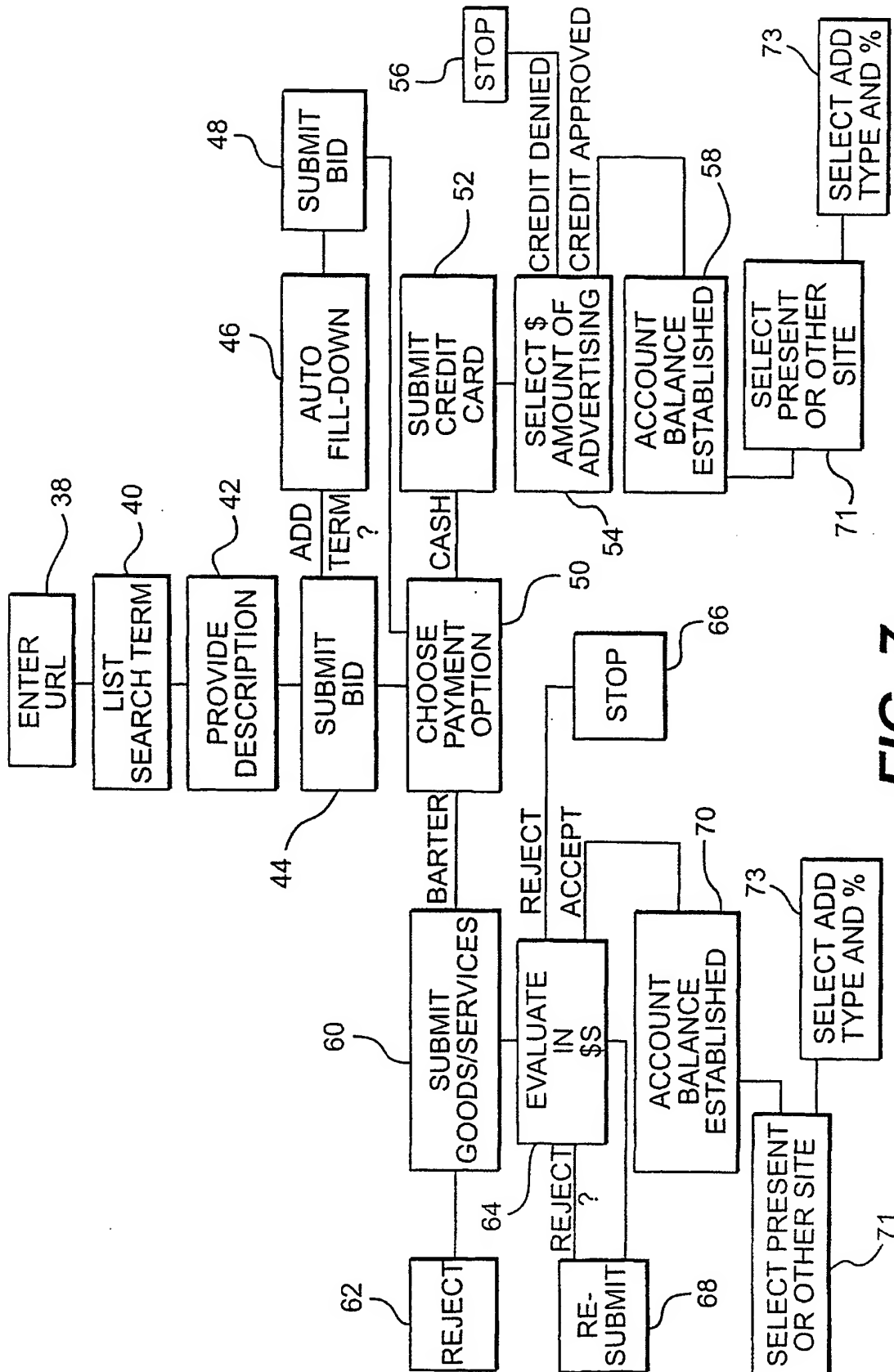


FIG. 7

12/15

CREDIT CARD DEBT
REDUCTION WITHOUT A
LOAN!

(COST TO ADVERTISER: \$0.98)

OUR FREE DEBT MANAGEMENT SERVICE
WILL SLASH YOUR CREDIT CARD
INTEREST AND LOWER YOUR MONTHLY
CREDIT CARD PAYMENTS WITHOUT A
LOAN! A NON-PROFIT ORGANIZATION.

POSITIONTRADING.NET,
LLC: 'INFORMATION FOR
WEALTH CREATION'

(COST TO ADVERTISER: \$0.95)

PTN IS YOUR LAST STOP FOR DAILY
STOCK SELECTIONS. NINE UNIQUE
PORTFOLIOS, FREE REAL-TIME QUOTES,
RESEARCH, PORTFOLIO TRACKER, FREE
TRIAL, WHERE PERFORMANCE,
PERSONALITY, AND PRIDE COME
TOGETHER-LESS THE HOT AIR!

UNCOVER THE SECRET
REVENUE STREAMS HIDING
IN YOUR WEB SITE

[HTTP://WWW.ROCKETLINKS.COM/](http://www.rocketlinks.com/)

➤ HIGH ROLLER CASINO &
SPORTSBOOK

(COST TO ADVERTISER: \$1.22)

YOUR BEST BET ON THE NET. \$1000 MONTHLY
GIVEAWAY. GREAT COMPS. 25-50%
PARTNERING. BLACKJACK TOURNAMENT, 25+
GAMES, MULTILINGUAL, FULL SPORTSBOOK
WITH 24/7 UPDATES. HIGHLY RECOMMENDED.

➤ AMERICAS MONEY CENTER - REAL
ESTATE MORTGAGE LOANS

(COST TO ADVERTISER: \$1.21)

WE FUND HOMEOWNER LOANS NATIONALLY,
TO ALL CREDIT GRADES. ONLINE MORTGAGE
LOAN APPLICATION! REAL LOANS FOR REAL
PEOPLE. BUT IF YOU'RE ONE OF THE THREE
PEOPLE IN THE U.S. WITH A PERFECT CREDIT
HISTORY, WE CAN HELP YOU TOO!

CREDIT CARD DEBT
REDUCTION WITHOUT A
LOAN!

(COST TO ADVERTISER: \$0.90)
OUR FREE DEBT MANAGEMENT SERVICE
WILL SLASH YOUR CREDIT CARD
INTEREST AND LOWER YOUR MONTHLY
CREDIT CARD PAYMENTS WITHOUT A
LOAN! A NON-PROFIT ORGANIZATION.

CHICAGO AREA JOBS/
CAREERS

(COST TO ADVERTISER: \$0.89)

OVER 100 LINKS TO CHICAGO JOBS AND
HR SITES. UPDATED DAILY. OVER
1,000 OPPORTUNITIES. COURTESY OF
REGENT CITYWIDE APARTMENT
RENTALS.

CLICKING HERE WILL
COST YOU \$110

(COST TO ADVERTISER: \$0.88)

FIG. 8 cont.

13/15

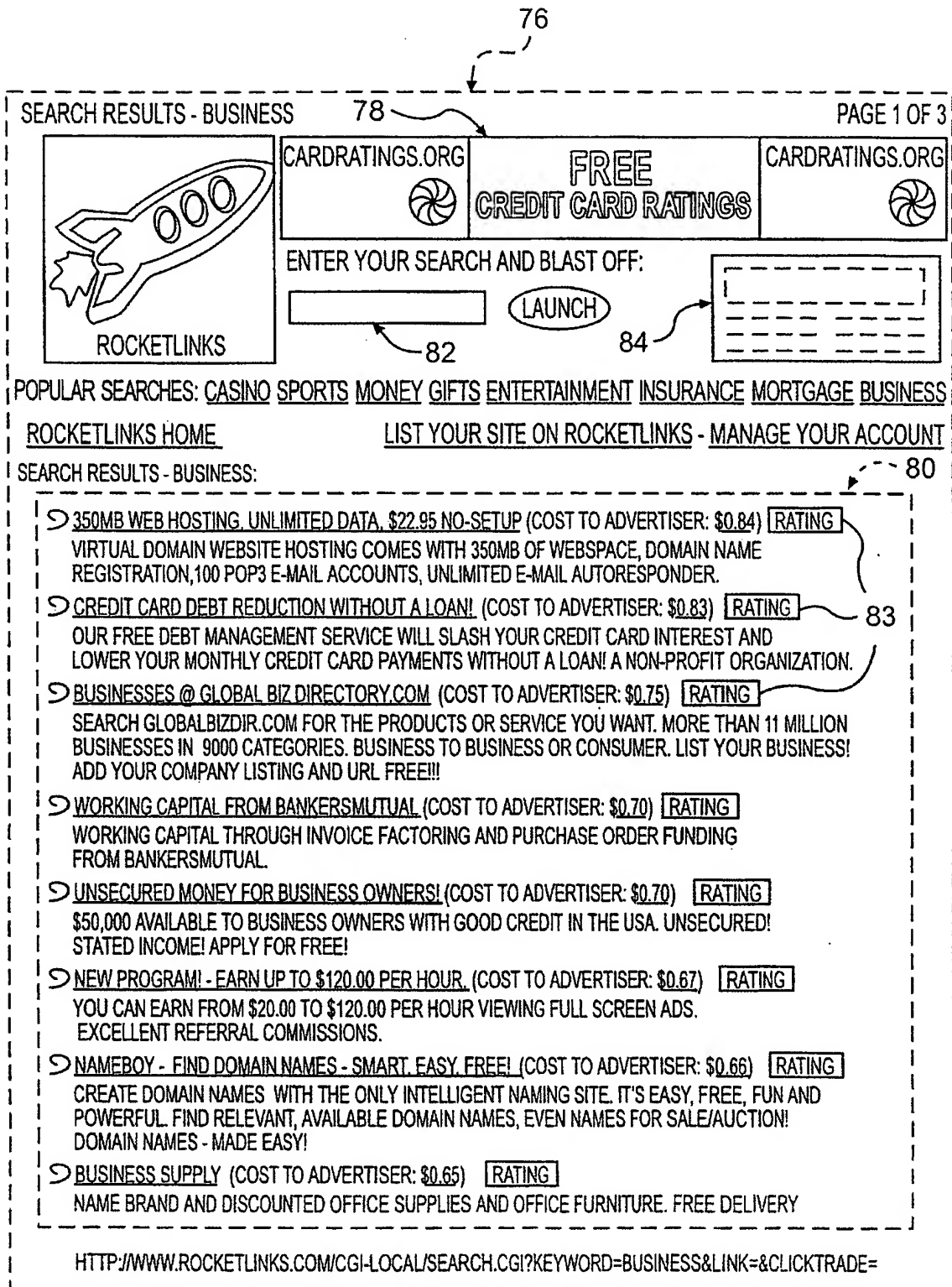


FIG. 9

14/15

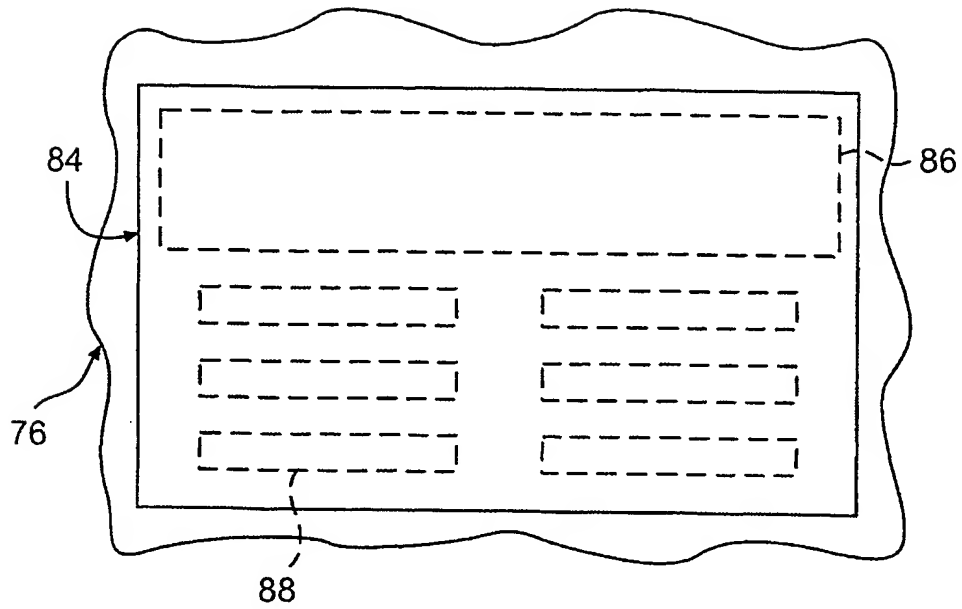
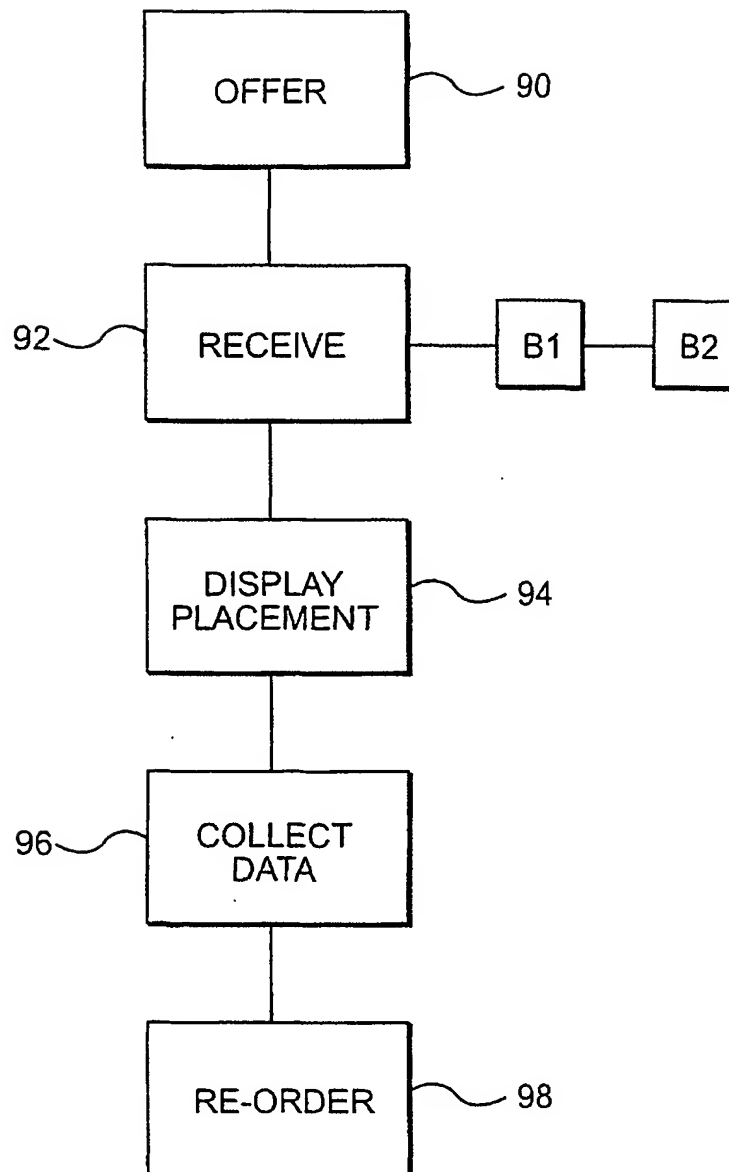


FIG. 10

15/15

**FIG. 11**

(12) INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(19) World Intellectual Property Organization
International Bureau



(43) International Publication Date
1 November 2001 (01.11.2001)

PCT

(10) International Publication Number
WO 01/082178 A3

(51) International Patent Classification⁷: G06F 17/60

(21) International Application Number: PCT/US01/12800

(22) International Filing Date: 20 April 2001 (20.04.2001)

(25) Filing Language: English

(26) Publication Language: English

(30) Priority Data:
09/553,961 21 April 2000 (21.04.2000) US

(71) Applicant: BAY9, INC. [US/US]; Suite 1604, 450 Seventh Avenue, New York, NY 10123 (US).

(72) Inventor: LAIFER, Lance; 565 Warwick Avenue, Teaneck, NJ 07666 (US).

(74) Agents: PENNINGTON, Edward, A. et al.; Swidler Berlin Shereff Friedman, LLP, Suite 300, 3000 K Street, N.W., Washington, DC 20007 (US).

(81) Designated States (national): AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CO, CU, CZ, DE, DK, EE,

ES, FI, GB, GE, GH, GM, HU, ID, IL, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, UA, UG, UZ, VN, YU, ZW.

(84) Designated States (regional): ARIPO patent (GH, GM, KE, LS, MW, MZ, SD, SL, SZ, TZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE, TR), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).

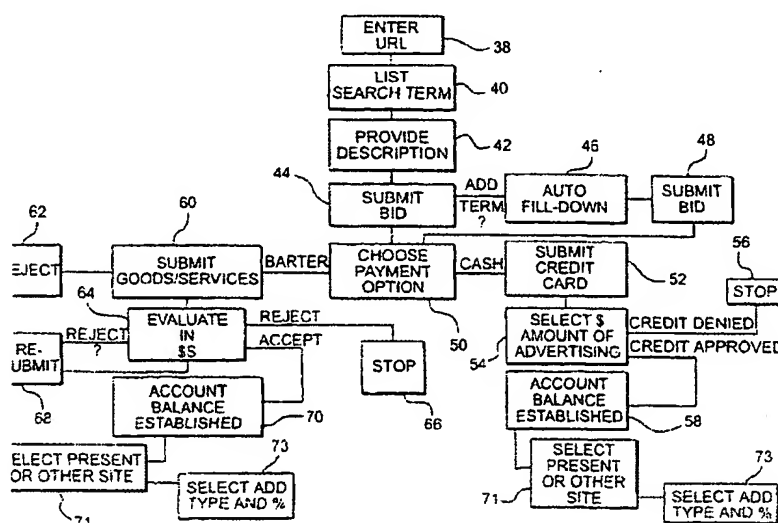
Published:

— with international search report
— before the expiration of the time limit for amending the claims and to be republished in the event of receipt of amendments

(88) Date of publication of the international search report:
19 September 2002

For two-letter codes and other abbreviations, refer to the "Guidance Notes on Codes and Abbreviations" appearing at the beginning of each regular issue of the PCT Gazette.

(54) Title: SYSTEM AND METHOD OF BIDDING FOR PLACEMENT OF ADVERTISEMENTS IN SEARCH ENGINE



(57) Abstract: A search engine provides greater opportunities for advertisers to increase exposure to relevant consumer bases. One aspect of the invention is to provide a barter-per-placement system in which the advertiser offers a quantity of goods and/or services in exchange for placing advertising in pop-up windows and banner advertisements. Bids for placement in either search results, banner advertisements or pop-up windows can be based on a weighted average value of click throughs. Advertisers bid on a per click basis and then are placed according to the value of bid per click times number of click throughs.

WO 01/082178 A3

INTERNATIONAL SEARCH REPORT

International Application No

PCT/US 01/12800

A. CLASSIFICATION OF SUBJECT MATTER
IPC 7 G06F17/60

According to International Patent Classification (IPC) or to both national classification and IPC

B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)

IPC 7 G06F

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practical, search terms used)

EPO-Internal, WPI Data, PAJ, INSPEC

C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category *	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	"GoTo Sells Positions" TGE SEARCH ENGINE REPORT, 3 March 1998 (1998-03-03), pages 1-5, XP002119820	1,9,10, 17,22,28
Y	page 1 -page 3	2-8, 11-16, 18-21, 23-27, 29-32
Y	WO 98 36366 A (NORTHERN TELECOM LTD) 20 August 1998 (1998-08-20)	2-8, 11-16, 18-21, 23-27, 29-32
	page 6, line 2 -page 8, line 34 -/--	

☒ Further documents are listed in the continuation of box C.☒ Patent family members are listed in annex.

* Special categories of cited documents:

- *A* document defining the general state of the art which is not considered to be of particular relevance
- *E* earlier document but published on or after the international filing date
- *L* document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another claim or other special reason (as specified)
- *O* document referring to an oral disclosure, use, exhibition or other means
- *P* document published prior to the international filing date but later than the priority date claimed

T later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention

X document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone

Y document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art.

Z document member of the same patent family

Date of the actual completion of the international search

3 July 2002

Date of mailing of the international search report

10/07/2002

Name and mailing address of the ISA

European Patent Office, P.B. 5818 Patentlaan 2
NL - 2280 HV Rijswijk
Tel. (+31-70) 340-2040, Tx. 31 651 epo nl,
Fax: (+31-70) 340-3016

Authorized officer

Glaser, N

**This Page is Inserted by IFW Indexing and Scanning
Operations and is not part of the Official Record**

BEST AVAILABLE IMAGES

Defective images within this document are accurate representations of the original documents submitted by the applicant.

Defects in the images include but are not limited to the items checked:

- ☐ BLACK BORDERS
- ☐ IMAGE CUT OFF AT TOP, BOTTOM OR SIDES
- ☐ FADED TEXT OR DRAWING
- ☐ BLURRED OR ILLEGIBLE TEXT OR DRAWING
- ☐ SKEWED/SLANTED IMAGES
- ☐ COLOR OR BLACK AND WHITE PHOTOGRAPHS
- ☐ GRAY SCALE DOCUMENTS
- ☐ LINES OR MARKS ON ORIGINAL DOCUMENT
- ☐ REFERENCE(S) OR EXHIBIT(S) SUBMITTED ARE POOR QUALITY
- ☐ OTHER: _____

IMAGES ARE BEST AVAILABLE COPY.

As rescanning these documents will not correct the image problems checked, please do not report these problems to the IFW Image Problem Mailbox.